

DOE/623/024

MR Form 4
(Revised 1984)

File No. _____
Date: _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES AND ENERGY
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

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DIVISION OF
OIL, GAS & MINING

DECLARATION OF EXEMPTION

(See Mined Land Reclamation Act 40-8-4[6].)

As provided for in Section 40-8-4, UCA 1953, I hereby declare an exemption from the "Utah Mined Land Reclamation Act," in that less than 500 tons of material is being mined or less than two (2) acres of land is being excavated or used as a disposal site during a period of twelve (12) consecutive months, from the following designated claims, leases or fee acreage.

NAME OF CLAIM, LEASE OR FEE ACREAGE	LOCATION			
	1/4, 1/4 SECTION	TOWNSHIP	RANGE	COUNTY
ML 33042	N/W, S/E 16	T12S	11W	Utah
ML 33388	S/W, S/E 16	T12S	11W	Utah

Commodity: Gemstones

Date: 4-1-86

Signature: Sidney Crystal President

OPERATOR: Sid Crystal, President, Topaz Valley Minerals Inc.

ADDRESS: 899 North 910 East, Orem, Utah 84057

TELEPHONE: 801 224-2100

*This form needs to be filed one time only. In the event more than the minimum size requirements are to be mined, a Notice of Intention to Commence Mining Operations and Mining and Reclamation Plan (MR Form 1) will need to be filed with this office, at least 90 days prior to the anticipated expansion.

TOPAZ VALLEY MINERALS INCORPORATED
PLAN OF MINING OPERATION

Commercial production of mineralogical specimens (topaz, garnet, biyite, beryl, hematite, etc.) on state Gem Stone Leases ML 33042 and ML 33388 will begin on April 1, 1987 or as soon as existing roads are travelable. Travelability depends on the amount of snow and rainfall during the winter months.

Several vents and fractures bearing mineralogical specimens are now covered by a small amount (approximately 20 tons) of fragmented rhyolite. The majority of mining will take place in this open pit. Occasionally sampling will be performed on exposed rhyolite outcroppings present on the 80 acres contained in the two Gem Stone Leases. If any of the sampling reveals significant gem stone deposits, then an additional mining plan of operation will be submitted.

At the present time, the only major mining activity is planned in the area of the open pit. No new roads are planned. No changes in the existing roads are planned. No topsoil is present to be disturbed. No lakes, rivers, streams, creeks, springs, buildings, transmission lines, gas or oil pipelines are present. There are no impoundments. No chemicals (except explosives) or leaching process will be used. No shafts, tunnels or drill holes are planned. All trash will be hauled off.

As soon as weather permits in 1987, the fragmented rhyolite overburden will be removed from the open pit and stored near the pit so that when mining operations are concluded, the pit can be backfilled. Then mineralogical specimens will be removed from the exposed vents and fractures. A Cobra drill will be used to drill holes so that blasting can be done to further expose gem laden vents and fractures. Fragmented rhyolite will again be stored in the open pit.

Mining operations will commence as long as gem stones can be collected profitably. Topaz Valley Minerals Incorporated will continue to maintain a bond to insure that the open pit will be backfilled when mining operations cease. The total acreage of disturbance is less than two acres.

Please contact Sid Crystal, President, if any further information is needed. As soon as weather permits, I will be happy to schedule an on site visit if necessary. I feel that a review of our plan of operation will show that our mining operation will have a very minimal effect on the environment and public safety.

Respectfully,

Sid Crystal

Sid Crystal
Topaz Valley Minerals Inc.
899 North 910 East
Orem, Utah 84057

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